

January 19, 2006

H.E. Maqbool Bin Ali Sultan
Minister of Commerce and Industry
Ministry of Commerce and Industry
Sultanate of Oman

Dear Mr. Minister:

In connection with the signing on this date of the United States-Oman Free Trade Agreement (the "Agreement"), I have the honor to confirm the following understanding reached by the Governments of the United States of America and the Sultanate of Oman regarding Chapter Nine (Government Procurement) of the Agreement:

With respect to procurement, the Sultanate of Oman Government does not exercise any undue control or influence in procurement conducted by Omantel, Petroleum Development Oman, and Oman Liquefied Natural Gas. The Sultanate of Oman shall ensure that all procurement by these entities is conducted in a transparent and commercial manner.

I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an integral part of the Agreement.

Sincerely,

Rob Portman